Reg. No. M. 1175

The Mysore Gazette

(PUBLISHED BY AUTHORITY)

Vol. 85] BANGALORE, THURSDAY, JAN: 5, 1950 [No. 1

PART IV

Section 1-A

BILLS INTRODUCED IN THE CENTRAL LEGISLATURE WHICH IF ENACTED WILL APPLY TO MYSORE AND THE REPORTS OF SELECT COMMITTEES IF ANY, THEREON.

NOTIFICATION.

No. R.L. 883—Legis. 30-49-2, dated Bangalore, 27th December 1949.

Ordered that the accompanying Foreign Exchange Regulation (Amendment) Bill, 1949, (51 of 1949) published in the *Gazette of India*, dated 3rd December 1949 be republished in the *Mysore Gazette* for general information.

By Order,
B. S. PUTTASWAMY,
Legal Remembrancer and Secretary to Government, Law Department.

PART V.

Bills introduced in the Constituent Assembly of India (Legislative), Reports of Select Committees presented to the Constituent Assembly of India (Legislative) and Bills published under Rule 39 of the Constituent Assembly (Legislative) Rules of Procedure and Conduct of Business.

GOVERNMENT OF INDIA.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE).

The following Bill was introduced in the Constituent Assembly of India (Legislative), on the 29th November, 1949 :—

A. BILL No. 51 OF 1949.

A Bill further to amend the Foreign Exchange Regulation Act, 1947.

WHEREAS it is expedient further to amend the Foreign Exchange Regulation Act, 1947 (VII of 1947), for the purposes hereinafter appearing;

It is hereby enacted as follows :—

1. Short title.—This Act may be called the Foreign Exchange Regulation (Amendment) Act, 1949.

2. Amendment of section 1, Act VII of 1947.—For sub-section (*2*) of section 1 of the Foreign Exchange Regulation Act, 1947 (hereinafter referred to as the said Act), the following sub-section shall be substituted, namely :—

"(*2*) It extends to the whole of India, except the State of Jammu and Kashmir, and applies also to citizens of India other than the subjects of the said State, wherever they may be."

3. Amendment of section 2, Act VII of 1947.—Section 2 of the said Act shall be renumbered as sub-section (*1*), and—

(*i*) in clause (*k*) of sub-section (*1*), as so renumbered, for the words and figures "Indian Securities Act, 1920", the words and figures "Public Debt Act, 1944 (XVIII of 1944)" shall be substituted;

(*ii*) after sub-section (*1*), as so renumbered, the following sub-sections shall be inserted, namely :—

"(*2*) the term 'India', where it occurs in sub-section (*1*) of section 4, for the first time in sub-section (*1*) of section 5, sub-section (*3*) of section 6, sub-section (*3*) of section 7,

section 8, section 9, section 11, sub-section (*1*) of section 12, section 13 otherwise than in the expression 'outside India', sub-sections (*1*) and (*5*) of section 14, section 15, for the first time in sub-section (*1*) of section 17 and in sub-sections (*1*) and (*2*) of section 18, clause (*c*) of sub-section (*1*) of section 20 otherwise than in the expression 'who leaves India', and section 21, does not include the territories of the State of Jammu and Kashmir.

(*3*) In the application of this Act to any Acceding State any reference to an enactment which does not extend to that State shall, unless the context otherwise requires, be construed as a reference to the corresponding enactment, if any, for the time being in force in that State."

4. Amendment of sections 4 to 21, Act VII of 1947.—In sections 4 to 9, 11 to 15, 17, 18, 20 and 21 of the said Act, for the words "the Provinces" wherever they occur, the word "India" shall be substituted.

5. Amendment of section 18, Act VII of 1947.—In section 18 of the said Act,—

(*i*) in sub-section (*1*), the words "or the United Kingdom" shall be omitted; and

(*ii*) in sub-section (*2*), the words "United Kingdom or" shall be omitted.

6. Amendment of section 23, Act VII of 1947.—In section 23 of the said Act,—

(*i*) after sub-section (*1*), the following sub-section shall be inserted, namely:—

"(*2*) Notwithstanding anything contained in section 32 of the Code of Criminal Procedure, 1898 (Act V of 1898), it shall be lawful for any Magistrate of the first class, specially empowered in this behalf by the Provincial Government or, as the case may be, the Government of the Acceding State, and for any Presidency Magistrate to pass a sentence of fine exceeding one thousand rupees on any person convicted of an offence punishable under this section."; and

(*ii*) the existing sub-sections (*2*) and (*3*) shall be renumbered as sub-sections (*3*) and (*4*), respectively.

7. Repeal and saving.—(*1*) The Foreign Exchange Regulation (Amendment) Ordinance, 1949 (X of 1949), is hereby repealed.

(*2*) If immediately before the commencement of this Act there is in force in any of the Acceding States, to which the Foreign Exchange Regulation Act, 1947 (VII of 1947) now extends, any law

corresponding to that Act, such corresponding law shall upon the commencement of this Act stand repealed.

(3) Notwithstanding the repeal by this Act of the Foreign Exchange Regulation (Amendment) Ordinance, 1949, or of any corresponding law in force in any Acceding State, anything done or any action taken in the exercise of any power conferred by or under the said Ordinance or corresponding law shall be deemed to have been done or taken in the exercise of the powers conferred by or under the Foreign Exchange Regulation Act, 1947, as amended by this Act, as if that Act as so amended were in force on the day on which such thing was done or action was taken.

STATEMENT OF OBJECTS AND REASONS.

Section 23 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) gave trying magistrates power to impose fines up to Rs. 1,000 for offences in contravention of the said Act. The Foreign Exchange Regulation (Amendment) Ordinance, 1949 (X of 1949), promulgated on the 11th June, 1949, extended these powers without any limit. It is now sought to convert this Ordinance into an Act.

2. The opportunity is also being taken to extend the Act to all Acceding States.

3. The Bill also seeks to amend section 18 of the said Act, so as to withdraw the preferential treatment granted to United Kingdom companies and individuals under this section. Such facilities are not granted to companies or individuals of any other country, and these provisions were made in 1947 in favour of United Kingdom companies and individuals in view of Chapter III of Part V of the Government of India Act, as it then existed, which required that no discrimination be made between Indian and United Kingdom commercial interests. As these provisions of the Government of India Act, 1935, have already been omitted in the adapted Act, consequential amendments are now made to the Foreign Exchange Regulation Act.

JOHN MATTHAI.

NEW DELHI;

The 19th November, 1949.